

## **AGREEMENT REGARDING THE SAN ANTONIO CREEK SPREADING GROUNDS REHABILITATION PROJECT**

This Agreement Regarding the San Antonio Creek Spreading Grounds Rehabilitation Project ("Agreement") is entered into as of this \_\_\_\_th day of January 2008 ("Effective Date") by and among the Ojai Basin Groundwater Management Agency ("OBGMA"), a special act district acting according to the 1991 Ojai Basin Groundwater Management Act; the Ojai Water Conservation District ("OWCD"), a special act district acting pursuant to the Water Conservation Act of 1927; the Golden State Water Company ("GSWC"), a California corporation; the Casitas Municipal Water District ("Casitas"), a municipal water district acting pursuant to Sections 71000 et seq. of the California Water Code; and the Ventura County Watershed Protection District ("VCWPD"), a special act district acting pursuant to sections 46-01 et seq. of the California Water Code Appendix. OBGMA, OWCD, GSWC, Casitas and VCWPD, are collectively referred to as the "Parties" and individually as a "Party." This Agreement is made with respect to the following facts and intentions, which the Parties agree are true and correct:

### **RECITALS**

A. The Parties are collaborating on a project to rehabilitate, restore, and reconstruct certain presently unusable spreading ponds adjacent to San Antonio Creek (the "Project") located just southwest of the confluence of the Gridley and Senior Canyons within the Ojai Valley. The Project will construct facilities to divert water from San Antonio Creek into the ponds to augment the natural recharge of the groundwater supplies available for extraction from the Ojai Valley Groundwater Basin (the "Basin").

B. The Project is included within the suite of projects for which the Watersheds Coalition of Ventura County ("Watersheds Coalition") has received a commitment from the State of California to fund as a \$25,000,000 implementation grant ("Proposition 50 Grant") pursuant to Proposition 50, Chapter 8 (Integrated Regional Water Management Planning). The State has agreed to provide a portion of the Proposition 50 Grant proceeds to fund up to \$1,315,000 of Project costs. This figure amounts to approximately 90% of the estimated total costs for the design and completion of the Project. The Parties will provide the remaining 10%, reflecting a local match of approximately \$108,746.

C. The Parties must undertake several immediate actions to ensure that the Project remains eligible for the Proposition 50 Grant funding. These include: the appointment of a point of contact and contracting entity with respect to receipt and administration of the Proposition 50 Grant; undertaking environmental review for the Project in compliance with the National Environmental Protection Act ("NEPA") and the California Environmental Quality Act ("CEQA"); application for and issuance of a permit by the OBGMA for groundwater replenishment, storage and recapture; submission of applications for various other permits for the Project including an application for a stream diversion permit from the State Water Resources Control Board, and Clean Water Act Section 404 and 401 permits, and California Department of Fish and Game Code Section 1602 Agreements and other permits as may be required by agencies having regulatory jurisdiction over the Project.

The Parties anticipate that each of these Project related implementation expenses, including grant administration costs arising from the Watersheds Coalition's consultant, Kennedy/Jenks Consultants, as identified in Paragraph 2.2 below, will be reimbursed through the Proposition 50 Grant funds.

D. The Parties estimate that the annual operation and maintenance costs for the Project will average approximately \$40,000 per year. In some years, operations and maintenance costs may be much higher than this estimated average as a result of high stream flow years or other abnormal events, while in other years, operations and maintenance costs may be below the estimated annual average. The parties agree that the annual operation and maintenance costs for the Project will be paid in accordance with the provisions of Paragraph 3.2 of this Agreement.

## **AGREEMENT**

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

### **SECTION 1. TERM AND PROJECT RECONSIDERATION.**

**1.1 Term.** This Agreement shall become effective on the Effective Date and shall continue in effect until the Project is abandoned pursuant to the Project Reconsideration set forth in Paragraph 1.2, voluntarily terminated by the Parties pursuant to Paragraphs 3.2 or 3.4, or this Agreement is terminated following the un-cured default of one or more of the Parties as set forth in Paragraph 6.12.

#### **1.2 Project Reconsideration.**

(a) At any time during the 30 days immediately after any of the following occurrences, any Party may request to meet and confer with the other Parties to discuss and reconsider the merits of the Project and the continuing integrity of this Agreement.

(i) the initial project design set forth in Paragraph 2.1,

(ii) the certification of environmental documentation to satisfy the requirements of NEPA and CEQA for the Project,

(iii) a final notification by any agency having regulatory permit or approval authority over the Project that the agency will not grant the required permit or approval,

(iv) the California Public Utilities Commission's failure to approve GSWC's request for rate recovery for its participation in the Project implementation and funding contributions as set forth in Section 2,

(v) any final determination that any of the action items set forth in Section 2 that are designated for reimbursement are not eligible for or will not be reimbursed from the Proposition 50 Grant funds,

(vi) the failure of the majority of groundwater well pumpers in the OBGMA to support adjustments in the extraction charges deemed necessary to support the long-term operation and maintenance of the project,

(vii) project design requirements triggering the need to acquire non-WPD land adjacent to the spreading grounds through eminent domain, or

(viii) notification by VCWPD that the final design of the Project creates the potential for uninsured liabilities based on tort or constitutional claims.

(b) Failure to meet and confer pursuant to a request pursuant to this Paragraph 1.2 shall be deemed a default under this Agreement.

(c) In response to a request, the Parties shall meet as promptly as practical to reconsider the merits of the Project and discuss: (i) whether the Project will be abandoned through withdrawal from this Agreement by any Party(ies) or, (ii) whether the Project will be reconfigured in any manner to improve the Project's merits, (iii) termination or amendment of this Agreement, or (iv) whether alternative arrangements should be made among the Parties to advance the Project.

(d) Within 10 days of the meeting conducted pursuant to this paragraph, any Party may withdraw or terminate its participation in this Agreement. The remaining Parties may continue to pursue the Project pursuant to this Agreement subject to the release of the terminating Party(ies) as provided in this Agreement, terminate this Agreement, or establish a separate agreement to further pursue the Project. If any approval or consent on the part of the terminating Party is needed to allow the remaining Parties to pursue the Project, the terminating Party may grant or withhold the approval or consent in its sole discretion.

## **SECTION 2. ACTIONS TO BE UNDERTAKEN AND ADVANCED FUNDING CONTRIBUTIONS**

The Party or Parties terminating their participation shall have no further obligations under this Agreement, except to the extent unsatisfied financial obligations have accrued to a respective Party pursuant to the terms of this Agreement prior to the respective Party's election to terminate participation in the Project.

**2.1 Initial Project Design.** VCWPD shall retain a consultant to work collaboratively with VCWPD staff to develop preliminary designs for the Project. The resulting work product shall set forth sufficient detail to establish a satisfactory Project description for environmental review pursuant to NEPA and CEQA. VCWPD and GSWC shall each advance \$12,500 to fund this preliminary design work; said amount will be credited towards the \$108,746 local match requirement in the Proposition 50 Grant.

**2.2 Kennedy/Jenks Consulting Costs for Grant Administration.** The Watersheds Coalition has retained the consulting firm, Kennedy/Jenks Consultants ("Kennedy/Jenks"), to assist the project applicants in administering the Proposition 50 Grant. The Watersheds Coalition has informed the Parties that the Project's share of the Kennedy/Jenks expenses may be as much as \$62,000, but that these expenses will be eligible for reimbursement from the Proposition 50 Grant as administration costs.

Moreover, VCWPD as the grant administrator for the Project, with support from the other Parties, will attempt to undertake most aspects of the grant administration to limit the Kennedy/Jenks costs attributable to the Project. VCWPD shall advance the funding necessary to satisfy these costs when due, and shall seek reimbursement for such costs from the Proposition 50 Grant.

**2.3 VCWPD to Act as Contracting Agency and Point of Contact for Implementation Grant.** The VCWPD, which owns the property on which the Project will be constructed, shall act as the principal point of contact with the Watersheds Coalition and shall contract with Ventura County as the agency responsible for receiving the Proposition 50 Grant, administering the grant funds therefrom for the design and construction of the Project, obtaining requisite rights-of-way for the Project, preparing all relevant reports, making requisite filings, and responding to data requests as required by the State Water Resources Control Board. VCWPD's costs incurred in administering and implementing the Proposition 50 Grant on behalf of the project shall be reimbursed by the Proposition 50 Grant.

**2.4 VCWPD to Complete NEPA/CEQA Review and Act as Lead Agency.** The VCWPD shall act as the lead agency for the Project pursuant to NEPA and CEQA; and shall fund and complete all environmental review for the Project to comply with the requirements of NEPA and CEQA. VCWPD's costs in completing the Project related NEPA and CEQA work shall be reimbursed by the Proposition 50 Grant.

**2.5 VCWPD to Manage Professional Services Contracts Required to Obtain Stream Diversion Permits and Regulatory Approvals.**

The VCWPD shall secure and manage any and all professional service contracts required to obtain: (i) the requisite stream diversion permit from the State Water Resources Control Board (SWRCB) to divert and appropriate water from San Antonio Creek into the Project facilities for recharge of the Basin, and (ii) all related permits and regulatory approvals, including but not limited to permits and regulatory approvals issued under or by the Clean Water Act (e.g., sections 404 and 401), from the United States Army Corps of Engineers, the California Department of Fish and Game, and the Regional Water Quality Control Board.

Further, VCWPD, in consultation with the Parties, shall coordinate the filing of an Underground Storage Supplement (USS) concurrently with the application for the stream diversion permit. Because the Project is designed to benefit all Basin groundwater users, the USS shall state that the recharged water will be used to increase the total amount of water stored in the Ojai Groundwater Basin for the common benefit and subsequent use of all water users of the basin for agricultural, domestic, and municipal purposes. However, should the State Water Resources Control Board require that individual wells be identified within the USS as points of re-diversion, VCWPD, in consultation with the Parties, may identify GSWC wells along with the wells of any other well-owner in the Basin that requests that his or her wells also be identified, as determined by the OBGMA to be appropriate.

All VCWPD and OBGMA permits for the Project will be issued by the respective member agencies on their own initiative without application by VCWPD.

VCWPD's costs incurred in securing and managing professional services contracts required to obtain stream diversion permits and regulatory approvals shall be reimbursed by the Proposition 50 Grant.

**2.6 GSWC's Funding Contributions: Funding Limits – Advancement of Funds and Support for PUC Rate Recovery Approval**

The Parties agree that under no circumstance shall GSWC be required to expend more than a total of \$125,000 for all Project-related tasks and undertakings including expenses of approximately \$32,000 already incurred prior to the date of this Agreement for the hydrologic study of San Antonio Creek prepared by D.B. Stephens and Associates, and \$12,500 which will be incurred subsequent to the date of this Agreement reflecting GSWC's 50% funding contribution towards the projected costs of the initial project design work as set forth in Section 2.1 above.

It is the Parties understanding that all of the work that VCWPD intends to perform under Section 2.5 is eligible for reimbursement from Proposition 50 Grant funds. Notwithstanding that, if for reasons of grant work task performance timing requirements, it shall become necessary for GSWC to advance funds necessary to complete the tasks and VCWPD's funding obligations pursuant to Section 2.5 above, then the Parties support GSWC's advancement of such funds. Further, the Parties support VCWPD's reimbursement of GSWC for such advance funding from Proposition 50 Grant funds subsequent to VCWPD's receipt of such grant funding from the State.

Finally, the Parties shall also support all efforts by GSWC to seek rate recovery approval from the California Public Utilities Commission for any tasks and funding contributions undertaken by GSWC pursuant to this Agreement which are not reimbursed from Proposition 50 Grant funds.

**SECTION 3. OPERATION AND MAINTENANCE FUNDING**

The operation and maintenance costs for the Project shall be funded and controlled by the Parties as follows:

**3.1 Operation and Maintenance Technical Advisory Committee.** A Technical Advisory Committee ("TAC") composed of one representative from each Party, shall be convened and meet on or before May 1<sup>st</sup> of each year to discuss the operation and maintenance activities that should be undertaken during the ensuing year and the projected expenses of the anticipated operation and maintenance activities.

The Parties shall attempt to reach consensus as to the operation and maintenance activities and expenses. However, if a consensus cannot be reached, the TAC may resolve disputes by a super-majority vote of the Parties, consisting of the affirmative vote of three members of the TAC. The VCWPD representative on the TAC shall act as chairman of the TAC and shall not vote.

**3.2 Operation and Maintenance Contributions.** Contributions towards the Project's operation and maintenance expenses shall be made, provided that funds are allocated in whole or in part each year by the Boards of Directors of the OBGMA, Casitas, and VCWPD, beginning in calendar year 2012, or during the calendar year immediately following the expected completion of project construction, whichever is earlier, as follows:

(a) OBGMA shall fund \$15,000 each year for the Project's operation and maintenance costs, provided that the legislation currently under consideration in the California Legislature (AB 738) becomes law and the well operators in the Basin vote under the provisions of that law to raise the groundwater extraction charge ceiling, and further provided that no Party that is also a pumper in the Basin is, by execution of the Agreement, committing to vote in favor of raising the groundwater extraction charge to any specific figure.

(b) Casitas shall fund \$15,000 each year for the Project's operation and maintenance costs.

(c) VCWPD shall fund \$10,000 each year for the Project's operation and maintenance costs. VCWPD's contribution may be made as an in-kind contribution of administrative overhead and operational activities. These administrative overhead and operational activities will include, but are not necessarily limited to: (i) controlling the diversion works to commence and cease diversions to the spreading grounds, (ii) inspecting the spreading grounds after significant storm events, (iii) administering in-house and third-party maintenance and improvement activities related to the Project, (iv) billing the other Parties for their appropriate share of the operation and maintenance costs for the Project, (v) issuing all pertinent reports or filings relating to the Project, and (vi) maintaining the Project's management and financial records.

(d) In the event that OBGMA, Casitas, or VCWPD is unable or unwilling to provide contributions towards the Project's operation and maintenance expenses because of a failure to meet the qualifying conditions upon their respective contributions, each of the other Parties shall be relieved of its obligation to provide its respective annual contribution to the Project's operation and maintenance as set forth in this Paragraph 3.2, and within a reasonable time thereafter, the Parties shall meet and confer to discuss whether an alternative arrangement can be agreed upon by the Parties regarding the future funding of the Project's operation and maintenance costs. In the event the Parties are unable to agree upon a replacement funding mechanism, any Party may withdraw or terminate its participation in this Agreement, pursuant to the provisions of subparagraphs 1.2(d) and 1.2(e).

**3.3 Operation and Maintenance Reserve.** A reserve operation and maintenance fund shall be established and funded by any unexpended revenues raised pursuant to Section 3 for operation and maintenance and shall be held by VCWPD within an interest bearing account. Such operation and maintenance reserve fund shall not exceed a \$40,000 balance to be used, subject to the discretion of the TAC, for emergency repairs or unanticipated operation, maintenance, or repairs. Beyond this reserve, if a surplus of operation and maintenance contributions exists from one year to the next, the surplus shall be applied to proportionally reduce the required contributions by the Parties set forth in this Section 3 during the next year.

**3.4 Special Maintenance Contributions.** If, in any year, the contributions otherwise provided in this Section 3, including use of the reserve funds, are insufficient to fund the Project's operation, maintenance, and repair costs, the requisite additional revenue shall be contributed by the Parties as follows: forty (40) percent by OBGMA, forty (40) percent by Casitas, and twenty (20) percent by the VCWPD, provided that if total annual expenses for the ensuing year are anticipated to exceed eighty thousand dollars (\$80,000), the TAC shall determine whether such contributions in excess of that total contribution shall be made or whether other strategies should be adopted, including temporary suspension of Project operations, deferral of certain maintenance tasks to later years or abandonment of the Project. Notwithstanding the foregoing, in any particular year, neither OBGMA, Casitas, nor VCWPD shall be required to contribute in excess of their respective share of the \$40,000 difference between \$80,000 and the normal annual operation and maintenance funding contribution of \$40,000 (i.e., \$16,000 OBGMA, \$16,000 Casitas, and \$8,000 VCWPD) unless the respective party voluntarily agrees to contribute additional funds.

**3.5 Agreement Modification/Review/Termination:** The Parties mutually agree that this Agreement shall be reviewed and maintained, revised, or terminated as may be appropriate, but no less than every three years.

#### **SECTION 4. PROJECT ADMINISTRATION**

Once constructed, VCWPD shall administer, operate, and maintain the Project subject to the direction concerning operation and maintenance provided by the TAC, and subject to partial reimbursement from the Project's operation and maintenance funding contributions provided for in Section 3. Despite VCWPD's role as principal administrative point of contact for the Project, VCWPD shall not bear actual or in-kind operation and maintenance expenses in excess of those operation and maintenance funding contributions for which VCWPD is obligated pursuant to Section 3.

#### **SECTION 5. VCWPD TO MAINTAIN INSURANCE FOR PROJECT**

As owners of the property on which the Project shall be constructed and operated, VCWPD shall procure and maintain for the duration of this Agreement, general liability insurance in an amount no less than \$1,000,000 for claims for injury to persons or damage to property which may arise from or in connection with the construction, operation, and maintenance of the Project. The required limits may be satisfied by a combination of self-funding and/or commercially available insurance policies.

The VCWPD agrees to defend and hold harmless the OBGMA, the OWCD, the GSWC, and Casitas, and their respective officers, agents and employees against any third party liabilities, claims, losses, damages, or expenses, arising from any negligent act or omission by VCWPD, its contractors, officers, agents or employees in rendering services under this Agreement, except to the extent that any such liability, claim, loss, damage or expense is caused by the negligence or willful act of OBGMA, OWCD, GSWC, Casitas, or any party acting on behalf of OBGMA, OWCD, GSWC, or Casitas.

All applicable insurance policies procured by VCWPD shall name the Parties to this Agreement as additional insureds but only with respect to liability arising out of the construction, operation, and maintenance of the Project by VCWPD. The additional insured status shall be confirmed by Certificates of Insurance and copies of endorsements which shall be supplied by VCWPD to each of the Parties to this Agreement.

All premium payments for the insurance costs attributable to the Project set forth in this Section 5 shall be deemed operation and maintenance expenses that shall be funded through the contributions set forth in Section 3 *supra*.

## **SECTION 6. GENERAL PROVISIONS**

**6.1 Recitals.** The recitals set forth at the beginning of this Agreement of any matters or facts shall be conclusive proof of the truthfulness thereof and the terms and conditions set forth in the recitals, if any, shall be deemed a part of the Agreement.

**6.2 Construction.** The provisions of this Agreement should be liberally construed to effectuate its purposes. The language of this Agreement shall be construed simply according to its plain meaning and shall not be construed for or against any Party, as each Party has participated in the drafting of this Agreement and had the opportunity to have their counsel review it.

**6.3 Severability.** If any term, provision, covenant or condition of this Agreement shall be or become illegal, null, void, or against public policy, or shall be held by any court of competent jurisdiction to be illegal, null, or void or against public policy, the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected, impaired, or invalidated thereby. The term, provision, covenant or condition that is so invalidated, voided, or held to be unenforceable shall be modified or changed by the Parties to the extent possible to carry out the intentions and directives stated in this Agreement.

**6.4 Signatures - Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement shall not be effective until the execution and delivery between each of the Parties of at least one set of counterparts. The Parties authorize each other to detach and combine original signature pages and consolidate them into a single identical original. Any of such completely executed counterparts shall be sufficient proof of this Agreement.

**6.5 Waiver.** No waiver of any provision or consent to any action shall constitute a waiver of any other provision or consent to any other action, whether or not similar. No waiver or consent shall constitute a continuing waiver or consent or commit a Party to provide a waiver in the future except to the extent specifically stated in writing. Any waiver given by a Party shall be null and void if the Party requesting such waiver has not provided a full and complete disclosure of all material facts relevant to the waiver requested. No waiver shall be binding unless executed in writing by the Party making the waiver.



**6.6 Governing Law, Jurisdiction and Venue.** The validity and interpretation of this Agreement and any ancillary documents shall be governed by the laws of the State of California without giving effect to the principles of conflict of laws. The Parties agree that the California Superior Court, located in Ventura, California, shall have personal jurisdiction over the Parties hereto and over any case or controversy related in any manner to this Agreement and shall be the mandatory and only proper forum in which to adjudicate such case or controversy. Any final judgment rendered against a Party in any action or proceeding shall be conclusive as to the subject of such final judgment.

**6.7 Notices.** All notices, approvals, acceptances, demands, and other communications required or permitted under this Agreement, to be effective shall be in writing and shall be delivered in person or by U.S. mails (postage prepaid, certified, return receipt requested) or by Federal Express or other similar overnight delivery service to the Party to whom the notice is directed at the address of such Party as follows:

- To: Casitas Municipal Water District  
ATTN: General Manager  
1055 Ventura Avenue  
Oak View, CA 93022
- To: Golden State Water Company  
ATTN: Vice-President, Operations  
630 East Foothill Boulevard  
San Dimas, CA 91773
- To: Ojai Basin Groundwater Management Agency  
ATTN: President, Board of Directors  
P.O. Box 1570  
Ojai, CA. 93024
- To: Ojai Water Conservation District  
ATTN: President, Board of Directors  
P. O. Box 1570  
Ojai, CA 93024
- To: Ventura County Watershed Protection District  
ATTN: Director  
800 So. Victoria Avenue  
Ventura, CA 93009-1610

Any written communication given by mail shall be deemed delivered two (2) business days after such mailing date, and any written communication given by overnight delivery service shall be deemed delivered one (1) business day after the dispatch date. Any Party may change its address by giving the other Parties written notice of its new address as provided above.

**6.8 Authorizations.** All individuals executing this and other documents on behalf of the respective Parties certify and warrant that they have the capacity and have been duly authorized to so execute the documents on behalf of the entity so indicated. Each signatory shall also indemnify the other Parties to this Agreement and hold them harmless from any and all damages, costs, attorneys' fees, and other expenses if the signatory is not so authorized.

**6.9 Entire Agreement and Amendment.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the Parties, and there have been no promises, representations, agreements, warranties, or undertakings by any of the Parties, either oral or written, of any character or nature binding except as stated in this Agreement. This Agreement may be altered, amended, or modified only by an instrument in writing, executed by the Parties to this Agreement and by no other means. Each Party waives their right to claim, contest, or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreement, course of conduct, waiver or estoppel.

**6.10 No Third Party Rights.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties to this Agreement and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligations or liability of any third persons to any Party to this Agreement, nor shall any provision give any third persons any right of subrogation or action over or against any Party to this Agreement.

**6.11 No Implied Agency.** No party to this Agreement is the agent of any other party and nothing in this Agreement shall be construed as permitting or authorizing any party to this Agreement to act in any capacity as an agent of the other. Furthermore, nothing in this Agreement shall be construed as creating a partnership or joint venture between the parties. Notwithstanding the foregoing, the parties acknowledge that they are undertaking the Project for their mutual benefit, and the parties agree to execute such further agreements and documents and take such further actions as may be reasonably necessary to implement this Agreement and the intent and purpose hereof.

**6.12 Default.** The failure by any Party to perform its obligations under this Agreement, which continues for more than thirty (30) days after receipt of written notice from the other Party stating the existence and nature of such default (unless the default cannot be cured in thirty (30) days, and in that event, if the defaulting Party fails to continuously and diligently remedy the default) shall constitute a default, which default shall entitle the other Parties to terminate this Agreement at their option by notification to the defaulting Party. Said termination option shall be in addition, not in lieu of, other rights and remedies of the non-defaulting Parties under this Agreement and by law.

**6.13 Limitations of Liability.** In no event shall any Party be liable to any other Party for any indirect, special, incidental, consequential, punitive or exemplary losses, expenses, or damages related in any manner to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CASITAS MUNICIPAL WATER DISTRICT

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By: RUSS BAGGERLY, President  
Board of Directors

GOLDEN STATE WATER COMPANY

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By: PATRICK SCANLON, Vice-President, Operations

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By: ROBERT SPROWLS, Senior Vice-President  
Chief Financial Officer and Secretary

OJAI BASIN GROUNDWATER  
MANAGEMENT AGENCY

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By: JERRY CONROW, President, Board of Directors

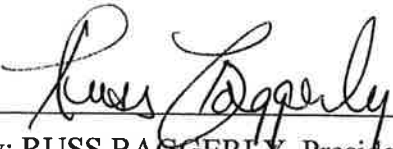
OJAI WATER CONSERVATION DISTRICT

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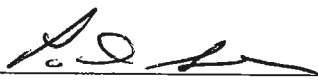
By: JERRY CONROW, President, Board of Directors


IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

CASITAS MUNICIPAL WATER DISTRICT


  
By: RUSS BAGGERLY, President  
Board of Directors

GOLDEN STATE WATER COMPANY


  
By: PATRICK SCANLON, Vice-President, Operations

  
By: ROBERT SPROWLS, Senior Vice-President  
Chief Financial Officer and Secretary

OJAI BASIN GROUNDWATER  
MANAGEMENT AGENCY

  
By: JERRY CONROW, President, Board of Directors

OJAI WATER CONSERVATION DISTRICT

  
By: JERRY CONROW, President, Board of Directors

VENTURA COUNTY WATERSHED  
PROTECTION DISTRICT

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By: \_\_\_\_\_, Chair  
Board of Supervisors, Ventura County Watershed Protection District

